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10 July 1961

SUBJECT: STAFF MEMORANDUM NO. 33-61: INSTABILITY IN EASTERN EUROPE?

NOTE FOR THE BOARD

The Director some time ago manifested an interest in the question of instability in Eastern Europe and any general trends in the area which might be suitable for exploitation. This memo was first prepared as a memorandum for the AD/NE in answer to a request by [] for some words on the subject. Mr. Kent subsequently asked that we make it into a Staff Memorandum and submit it for consideration by the Board.

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CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

10 July 1961

STAFF MEMORANDUM NO. 33-61

SUBJECT: Instability in Eastern Europe?*

1. Some recent developments in Eastern Europe have caused questions to be raised concerning the present extent of instability in the Satellites. These developments have included the Albanian problem, purges in the Bulgarian party, anti-Church trials in Hungary, agricultural and food supply problems in a number of the Satellites, and the situation in East Germany in relation to the Berlin problem.

2. From Moscow's point of view, things seem to be going quite well in the Satellites, except for Albania, where they are going very badly indeed. Gomulka's policies are humming quietly along in Poland, and his amicable relations with the US are netting economic aid which is even being worked into current

*This memo has been discussed with OCI.

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Polish economic plans. For that matter, Gomulka shows signs of making greater use of police control, and has even made a gesture or two in the direction of collectivization, which will help his esteem among other satellite Communist leaders. The essential situation in Poland, however, has remained unchanged. The people, who some years ago developed a strong aversion to politics, remain unresponsive to Communist programs and unmoved by thoughts of change in their status. Church and State remain at loggerheads, and tension periodically rises and recedes as the government puts on the pressure here and there, or as the clergy expresses its indignation. However, the regime is in no better position now to take strong measures to crush the Church than it was one, two, or three years ago.

3. This is not the case, however, in Hungary, where almost all signs point to the growing strength of the party leaders, and where the regime has grown confident enough of its position to adopt strong measures against the Catholic Church. The recent trials of clergy constituted a blow at the clergy's ability to train young people, and an attempt to divide the clergy. Hungary is having some problems in agricultural production and distribution, which appear to stem largely from last year's collectivization

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drive, but this is by no means a crisis situation. Moreover, recent moves by the regime to ameliorate its relations with the US and to permit the UNGA president to visit Hungary are additional indications of increased regime confidence in the strength of its internal position.

4. Recent government and party shifts in Czechoslovakia and Rumania have reflected increasing strength of the top party leaders. Though Czechoslovakia also has some current difficulties in agricultural production and food supply, which are in part seasonal, both countries are making good progress in economic development and production, and neither appears to have any serious internal problems.

5. The Bulgarian party leaders, however, are in a less happy situation. Growing dissatisfaction with the regime's economic programs, especially in middle and lower echelons of the party has enhanced factionalism in the party. Most of the dissidents appear to have right-wing and even pro-Yugoslav inclinations -- that is, they desire that internal policy should reflect more Bulgaria's own national problems, rather than those of the Bloc as a whole. A "plot" of such individuals was "uncovered" during the winter, and the regime has continued to be sufficiently exercised by the

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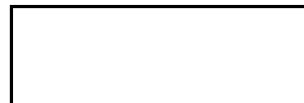
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matter in recent months to conduct a widespread, though peaceful, purge of the party apparatus. Though the main factional opposition in the Bulgarian party is right-wing in nature, there also exists a left-wing faction which is also dissatisfied with regime policies, and which may be trying to exploit the situation for its own benefit. Thus far, however, the factional situation has not constituted a serious threat to the position of the party leaders, who have not felt the need to employ force or to stage show trials.

6. We submit that there is no common thread to these problems. The Albanian difficulty is a leftist deviation, with Chinese support. The Bulgarian problem appears primarily one with rightist characteristics, while the other problems seem generally unrelated to either. This being the case, the best approach to these developments would seem to be an ad hoc approach, as is currently exemplified by SNIE 12. 4-61, "Stability of East Germany in a Berlin Crisis". The most important general problem of the area, that of authority and discipline, is being dealt with in NIE 10-61, and otherwise there would appear to be no urgent need for the examination of general trends in Eastern Europe.



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